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[TS-HK-AA8552]

THE WHITE HOUSE

WASHINGTON

TOP SECRET/SENSITIVE/EXCLUSIVELY EYES ONLY

MEMORANDUM OF CONVERSATION

PARTICIPANTS:

Chang Wen-chin, Assistant to the PRC Foreign Minister
Tsien Ta-yung, Deputy Director, Western European, North American and Australian Affairs, PRC Foreign Ministry
Yang Yu-ying, Interpreter
Notetaker

Alfred LeS. Jenkins, Director, People's Republic of China and Mongolian Affairs, Department of State
Richard T. Kennedy, Senior Staff Member, National Security Council
Richard H. Solomon, Staff Member, National Security Council
Irene G. Derus, Notetaker

DATE AND TIME: February 17, 1973; 2:30 - 4:15 p.m.

PLACE: Government Guest House
Peking, People's Republic of China

SUBJECT: Exchanges; Claims/Blocked Assets

Mr. Chang: So it is a very fine day today.

Mr. Jenkins: Yes, we want to thank you for this beautiful weather.

Mr. Chang: And thank you for your cooperation.

Mr. Jenkins: I think your weatherman must be following the news of our talks and using it accordingly.

Mr. Chang: So that is the scenario on the dramatic staging.

Mr. Solomon: The good weather is an indication of the progress we are making.

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Mr. Chang: So, any ideas or any thoughts for today?

Mr. Jenkins: Well, we had a pretty comprehensive coverage of our suggestions yesterday. I don't have very much to add today except to say that we have all taken a careful look at the suggestions as to the next steps in exchanges which were made on both sides yesterday and we are very pleased with this list and find really no problem with it. We look forward very much to the implementation [of this program].

We understand your desire with regard to Congressional people that they come in groups preferably. And when the time becomes appropriate again for certain visitations we will certainly bear that in mind. And I believe we both feel that in that connection it is also desirable that the groups be bipartisan in nature. So we will be in contact on this subject for your consideration in the future.

Meanwhile, I might mention that two senators, Jackson and Buckley, would like to come. I think not necessarily just the two, but they do want to come. But I say again that we very much look forward to the contribution which will certainly be made to our basic purposes by these visits which are contemplated.

We also will attempt to get to you a bit of clarification on what the comedian Bob Hope wishes to do.

Mr. Chang: So if it is possible, we hope we will be provided with his works similar to those he will intend to do in China. If it is possible.

Mr. Jenkins: Yes, well we will certainly look into that and do everything we can.

Mr. Chang: If it is possible. I thank you very much for the suggestions you have just made, especially for your confirmation on the lists of items I suggested. Now we are inspired.

Today I just want to make some clarification with regard to the items suggested by our side.

Mr. Jenkins: Very good.

Mr. Chang: Then I want to make one comment on the second and third questions we discussed yesterday. In addition, I was instructed by my

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Prime Minister that I should accompany you to visit the former site of your consulate in Peking -- your former residence.

Mr. Jenkins: I am really most grateful.

Mr. Chang: Don't thank me, it is a difficult job for me. So may I say a few words about your residence first. Of course, within the past 20 years it also has undergone earthshaking changes -- a revolution. There have been several transfers with this house, and also there have been some changes of the owners -- in the usage of this house -- the residence. You will find more and more people there and more and more households there. So some of them used to have only 1 to 5 /households/ but now they accommodate over 100 households there. So you may just imagine the housing problem in Peking. The residents there are mainly workers and the staff of the post and telegraph office. Of course it is an old house, and the front office still presents quite a favorable appearance, so I think it would be all right for us just to pass this place ourselves. We don't think it is convenient for the residents there to receive the guests from afar.

Mr. Jenkins: I would not want to disturb them. I would be very happy to do this. After all, you see I have changed my appearance since I left there.

Mr. Chang: You are becoming more and more handsome, but that house is becoming shabbier and shabbier.

Mr. Jenkins: Mr. Chang is a formidable diplomat.

Mr. Chang: And last time you also mentioned about the name of the market place. It also has changed. Its name -- it is now called East Wind Market, not the Eastern Peace Market. But if you are interested we can also have a tour of the market. So if you have interest in it then we may go in and have a look at this place.

Mr. Jenkins: If it is perfectly convenient.

Mr. Chang: That is all right. So under these circumstances, we may as well finish our discussions today by 4 o'clock so that we can be there by 5:30. After 5 o'clock it will be terribly crowded; it is a rush hour. It is Saturday today you know. It is crowded on weekdays but it would be terribly crowded on Saturday. So if you have no objection to following this pattern that means we will complete our discussion by 4 o'clock. We will then take a break.

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Mr. Jenkins: That's fine. I hope that Mr. Chang Wen-chin will do most of the talking today because this is such a red letter day of nostalgia for me. I am not sure that I will be very articulate.

Mr. Chang: So first a few ideas about exchanges. I did not make myself clear. The first probability is whether there is a high energy molecular physics group. So now we are going to send a high energy physicis and high energy study group to the States. The composition of this group will be roughly 15, and we hope that this group will be able to be sent out by the end of next May and they will have 30 days to visit. The main content for their visit, if it is possible, will cover the following areas: the technique about the high energy accelerator and also the experimental physics and theoretical physics, and others if it is possible. They also hope that they will be able to visit some laboratories during their visit to your country. So the institutions they envisage are as follows: Brookhaven National Laboratory; Chicago Accelerator Laboratory; and also California Stanford University; and also California Institute for Technology.

The second one is about the computer and computer technology study group. So it will be composed we think of no more than 15 members. They hope that they will go there in next August or September, and it will last about one month -- say 30 days. The field they will cover, namely the computers and the network designing theory and also the practical usage in production and the practical usage in management, in connection with production and usage.

Mr. Jenkins: Now you mean what we call computer "programming."

Mr. Solomon: Applications.

Mr. Kennedy: Using application in production.

Mr. Chang: The design and hardware of computers, and also external equipment of computers. Well, I am just giving you some rough details. We don't need to understand each other exactly. Later on we will give you the exact details.

The third one is about a chemical study group. Chemical energy. So now, according to my knowledge, my latest information, it is not at all a chemical energy group. It is an insecticide hormone study group.

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Mr. Solomon: You are saying that the proposal mentioned yesterday is now not being put forward?

Mr. Chang: No, drop it from yesterday's discussion. We may bring it up later on. So it will be a group of six. They hope that they will proceed at the beginning of next June. The duration for their visit will be 45 days to 60 days. And for the field they will cover for their visit, I don't think I am in a position to say anything.

Mr. Solomon: I can see that in terms of climate they will be coming at a time when insects are most productive.

Mr. Jenkins: You are talking about my homeland.

Mr. Solomon: I didn't mention a state.

Mr. Chang: Anyway, we will give you a written explanation of this group. We also discussed a water conservancy study group yesterday, and I said this group may be sent to the States in March or April. When I was saying so I rather doubted myself whether they will be able to go there in March and April. It may be too early for them. So my latest information tells me that maybe they will be proceeding there at a later date. Of course before their departure you will be informed about concrete requirements of that group: their requests, their desires, the arrangements they hope can be made. Of course they have a rather wide interest concerning all problems of water conservancy, but anyway their interests should be concentrated on a few items.

Mr. Solomon: Maybe you could deal -- you mentioned sluices. Are they interested in the construction of dams and sluices, or in irrigation?

Mr. Chang: I have learned one technique from Mr. Bray in your State Department. I will take down that question.

Mr. Solomon: I will "take" that question. (Laughter)

Mr. Chang: And try to check it off later. Now I want to -- so if there is nothing left about what I have just covered then I want to say a few words about the question of assets.

Mr. Jenkins: No, I think I don't have anything.

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Mr. Chang: We are grateful to Mr. Jenkins for his remarks and ideas with regard to the purposes and the ways to solve the problem of our blocked assets. It is very helpful to us and we benefit more from that than from the Paris channel. It is always difficult to make each other understood by long distance correspondence.

Mr. Jenkins: That is true. It takes time, and it is so circuitous sometimes.

Mr. Chang: And there are many points which we appreciate very much and we share the same approach. We agree and we are willing to eliminate all obstacles for the further development of the trade of our two countries. It is not merely a question of trade. It has its political implications, and it is also one of the symbols for the further normalization between China and the U.S.

Mr. Jenkins: May I say right here this is exactly the way we feel about it. Naturally we both welcome trade but we feel that it is not so much economic trade as it is a visible symbol of the progress that we are making. It is both, of course. We agree.

Mr. Chang: So that is why both of our two sides held that the issue of assets and the issue of Most Favored Nation status should be solved. The purpose is the settlement of the problem of assets -- the settlement of the former. So we thank the American side for furnishing us with the materials on the issue of assets and also for the amount -- you furnished the total sum of the grant -- the U.S. grant for China. So if I am not mistaken the sum is about $190 million.

Mr. Jenkins: Less than $200 million.

Mr. Chang: Less than $200 million. And according to your investigation, China's claims against the U.S. is $700 thousand.

Mr. Jenkins: That is right.

Mr. Chang: So the hard work of your experts is also a source of stimulating our experts to do something. However, our experts are not able to present you a bunch of material which will weigh 16 kilos.

Mr. Jenkins: That is a relief.

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Mr. Chang: So that shows that we are lagging behind in our work. But you may imagine that the figure which will be presented by our experts will be different from yours and they hold that the amount -- the sum for the claims -- the total sum of the claims is much less than the number you are presenting according to our experts' view.

Mr. Jenkins: Oh?

Mr. Chang: And there are also some differences with regard to names of claimants and also some items. We will not be able to find them yet because your original material was rather simple and we were not able to find them out. As for China's claims against the States, the Chinese assets which are now blocked by the U.S., we haven't gotten an accurate, comprehensive figure yet.

You may understand that because China has undergone a process of revolution and there still exists the problem of Taiwan, it is not so easy for us to check them out very clearly. One thing is definite, that the figures presented by our experts will be different from the figures presented by your experts and there will be differences. This also has something to do with different principles in the way of doing accounting and also in the principles governing this matter. Just to cite a very simple example. When you are gathering the account of the U.S. assets in China you may have included the value of land. But as a matter of fact, right after liberation all the land came to the ownership of the State. So since all the land in the country is owned by the People's Republic of China, when we do accounting about the private assets owned by Chinese and foreign private companies in China, we exclude the [value of] land. We would not pay any compensation on the claims for land at all.

Moreover, there were some U.S. private assets in China which have already been sold by the Chinese government. So it is not my intention to go into details to discuss this matter, I just want to give you some rough idea -- illustrations. So anyhow, if we hand this matter over to the experts of our both sides there will be very heated arguments but the issue will not be solved. So yesterday Mr. Jenkins made the following suggestion to the effect that it be an equitable and a simple way -- there may be a solution to sort out, to solve this problem in order to avoid endless arguments on the details. And also the simultaneous solution of the U.S. private assets in China and the Chinese assets -- the frozen Chinese assets in the U.S. That is to say that to use the Chinese, the frozen Chinese assets in the U.S. to compensate the U.S. private claims against China, to compensate

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the Chinese claims with U.S. private properties left in China.

Mr. Solomon: Both sides do it the same way.

Mr. Chang: I think this is simple. Maybe it is a wise man's solution.

Mr. Solomon: It is not easy to explain, but it is easy to apply.

Mr. Chang: So maybe you will think that it will be a solution in favor, to China's advantage, but we may consider that this solution may be to your advantage and we may just maintain this argument. We may just leave it as a topic for future essays by Chinese and American students.

Mr. Jenkins: Perhaps we can simply decide that if each of us is happy with the material component then we can just be both happy.

Mr. Chang: So if both sides share the same view in this regard, I think this may be preserved as a natural understanding as a result of these discussions for the consideration of both governments.

Mr. Jenkins: If that is agreeable with you -- an understanding in principle with regard to some legal attention to all the understandings. May I say that on our side, too, there are certain differences of social and economic systems and laws which have not been brought up. From our standpoint, in the legal consideration, you would have to consider interest on these claims presumably starting on October 1, 1949 at 6% compounded annually. So this is why we hope it is a wise decision that we are making, but it seems to us that it may be the only possible solution because of its complications.

Now there are some fairly important quarters back home, segments of our society which will almost certainly not be content with this arrangement. But Dr. Kissinger is of the opinoon, which we all share, that there are practical issues at stake here which are blocked becuase of this and it is clearly in the interest of both of us to get rid of this problem.

Mr. Chang: I think it is a very good suggestion. Of course this understanding, if it is possible to be reached, it doesn't mean a solution to this problem but it would greatly expedite and simplify the solution. We still should give some consideration to the legal forms.

Mr. Jenkins: Yes, I agree.

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Mr. Chang: And our side further thought how to work out starting from this basis.

Mr. Jenkins: We will do the same and then get together on the subject.

Mr. Chang: You are more experienced in solving the claims because you have discussed this matter with quite a few countries -- settled with many countries. You have continued negotiations and reached settlement with many countries while we don't have such experience, so maybe you can draw up some formula or some kind of working papers.

Mr. Jenkins: We can do that.

Mr. Chang: I think you may rest assured of full cooperation from our side with the understanding we have now reached since we have this understanding based on forms of equality.

Mr. Jenkins: Right.

Mr. Chang: And yesterday you also suggested that the issue of MFN should be solved at the earliest possible date -- should be considered earlier /rather than later/.

Mr. Jenkins: "Considered," not "solved."

Mr. Chang: Not necessary to consider it until the question of assets is solved because we have to work ahead. So as soon as the assets problem is solved then the situation is mature for the MFN issue.

Mr. Jenkins: At least on the way to maturity.

Mr. Chang: Yes, and yesterday you said that the easy problems -- the first problem should be solved first and then to solve the second problem. We hope that the gap /of time between their solution/ shall be as short as possible. The reason is very simple, because it would be very difficult for our public to understand /solution of claims/assets without granting of MFN/ since under the conditions that our two countries have not yet normalized relations and since the question of claims is solved, they would not understand why we solve the question of claims without any further purpose. Until it is solved for some practical purpose it would not be easy to accept.

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Mr. Jenkins: We would like to see that time interval as short as feasible. But we discussed yesterday the situation on both sides which would have to be met on the part of ours as a legislative problem. We hope it won't prove to be a real problem.

Mr. Chang: We understand this.

Mr. Jenkins: Quite frankly, I have to be a bit philosophical here for a moment. The change in the climate from the very unfortunate cold war period has been both rather rapid and rather recent. A great deal depends upon the ability of the American people and the American Congress to shift gears, to change their thinking. And it is such things as these exchanges between us, the increased communication, the altered manner in which we speak of each other which takes a little time to seep down into the public consciousness. It is happening quite well, but we can't fully predict feelings, for instance in the Congress. So I mention that we do have that hurdle. We expect not to have any great problem.

Mr. Chang: We understand the prevailing difficulties to be overcome.

Mr. Jenkins: You probably have almost the same problem here.

Mr. Chang: We are facing the same problem and although it is superficial it is not so obvious as it is in the U.S. And moreover we should not forget that some third parties are always trying their best to sabotage [U.S.- PRC relations]. So yesterday you also covered some aspects which have something to do with MFN, for instance in solving this problem with the Soviet Union, you concluded a series of agreements with the Soviet Union and you have solved the lend-lease problem and also establishment of trade missions both in Washington and in Moscow. Yesterday you also pointed out that the relationship between the Soviet Union and the U.S. is quite different from U.S. relations with China. So the concrete, the specific conditions are quite different, and I agree with your views. I share your views. In dealing with our relations -- Sino-American relations -- we still keep in mind the fact that, of course, both sides are making efforts toward normalization of relations between our two countries. But the relations between the two countries are not normalized yet. It will take a little time.

Mr. Jenkins: That is true.

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Mr. Chang: So that is why when we are considering the trade relations we must bear in mind that they are still not normalized relations. There are no conditions for the two governments to sign governmental agreements. Something which has to do with claims between the two governments. Government to government.

Mr. Jenkins: Yes, that we understand. We can't at this stage take up the matter of governmental claims as distinct from private claims. However, on the type of claims settlement which we will be able to make, there will be, I am sure we both understand, certain degrees of formality for legal reasons which we would have to enter into, but that would not be with respect to governmental claims.

Mr. Chang: So it does not mean that it is impossible under these circumstances to sign any agreement.

Mr. Jenkins: I understand.

Mr. Chang: Just like our practice with Japan in the past. Even before our normalization with Japan some agreements were concluded on the basis of people-to-people contacts, and even the people-to-people liaison offices were established. All these measures were encouraged by both governments, and this practice may serve as a kind of reference in solving our problems.

We hope you will give more consideration to this problem because you give more emphasis to the legal aspects of the problem.

Mr. Jenkins: This can be a heavy burden. We have in the States a product called Excedrin. I think we may have to take some of it to solve this problem. It is a special medicine for dealing with headaches.

Mr. Chang: I think we ought to solve this problem of assets quickly, and also the MFN. There are still some specific problems. Detailed discussions might be needed by experts. It might be better to have direct discussions than /deal with these technical problems/ by long distance correspondence.

Mr. Jenkins: I think that is likely to be the case.

Mr. Chang: There must be one condition; the matter should not be handed over to the real experts.

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Mr. Jenkins: That would make it hopeless.

Mr. Chang: Yesterday you suggested we may bypass the real experts. I think we may consider this point. The sole purpose is to have this problem solved more rapidly.

Mr. Solomon: Please, one point of clarification.

Mr. Jenkins: Do you have any thought as to when and where we might get our people together?

Mr. Chang: To be frank, I haven't started to consider this question yet. I present this point only in the light of the discussions we had yesterday and in the light of the fact that our approach is so very -- your views are much like ours. We take a similar approach.

Mr. Jenkins: So, we will both give thought to this.

Mr. Chang: I just have the feeling that this kind of get together may be held rather early so we can get over it.

Mr. Jenkins: That is fine. We will be ready very soon.

Mr. Chang: So as for the place, I think Peking will be more convenient to you. Maybe of course we can consider other places, for instance Paris. The more important thing is who will attend this, what kind of people?

Mr. Jenkins: I can assure you we are giving very careful thought to it.

Mr. Solomon: Dr. Kissinger, I think, will not want to lose control of this issue, much less to legal specialists.

Mr. Chang: We do not care about their ranks or what title they have. Whether they are called experts or not, but what they are for.

Mr. Jenkins: That is agreed.

Mr. Chang: There are some minor points I would like to bring up. We thank you for your kindness in raising the suggestion that you will be ready to give some assistance to the Chinese side on the lists of the names of firms or companies -- guests, invitees [to the Canton Fair]. And last year we

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invited 60 guests from the U.S. to attend our autumn Fair. Sixty companies, and then we also sent extra invitations through the Paris channel. For the spring Canton Fair we may invite slightly more. Because of the poor accommodations, facilities, we can't invite too many.

Mr. Jenkins: I understand.

Mr. Chang: And the spaces are rather limited. If they come then other countries will complain.

As for the other points you raised yesterday, for instance the trade fair, and the sea communications and air communications. These problems also have something to do with the present conditions of the normalization. But anyhow we may consider some other ways to proceed in this field.

Mr. Jenkins: The important thing is whatever can appropriately be considered at this stage in our relations. This sum total implication -- the sum total weight needs to be sufficient for us to convince our Congress that there is mutual and equitable benefit to warrant a Most Favored Nation arrangement. We understand some things are difficult right now, but it has to be a package that is saleable to Congress.

Mr. Chang: I am no expert on trade.

Mr. Solomon: Just one point of clarification. Yesterday you mentioned it and again today: the matter of a list of specific companies you could invite to the Canton Fair. You mentioned 15 or 20. Are you asking us again for a specific list of firms?

Mr. Chang: I shall explain. All the invitations are extended by the China Council for the Promotion of International Trade. And some of the U.S. businessmen invited by the China Council for the Promotion of International Trade were those old companies which had some contact with the Council in the past. The Council had to give some consideration to its old friends. Some businessmen just raised their own request to the Council and our Council is very kind-hearted, so they were deeply moved by their letters. There might be some companies which were not invited and were not given much attention because we do not know your businessmen well and your businessmen do not know China well. So this is why we think that the Paris channel may be able to give some assistance in this field.

Mr. Jenkins: It is important to both of us that we avoid pitfalls -- bad choices.

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Mr. Solomon: I would like to make two points on this issue. The first is that I think you can understand that politically for us to pick one firm and exclude others is very, very difficult. This is the difference between a market economy and a planned economy. At the same time, however, we along with you are concerned that -- we wouldn't want to see bad firms or unfortunate things happen which would inhibit or cause an accident in the development of trade. For precisely that reason, and becuase we have been successful in the cultural and scientific area in using the two special private organizations, we established the National Council for Sino - U.S. Trade. Our hope is that the same pattern could develop, to help supply information and be a semi-official form of influence over the development of our trade. I think from this point of view you could consider that if we do supply you trade information through the Paris channel -- for instance, if you asked for 20 firms and we gave you 60 names -- you would know that all were reputable.

Mr. Jenkins: I know what Mr. Solomon meant by use of the term "influence" but I want to be sure you do. This does not mean that the government will or can play favorites in influencing the situation, but it does mean that we can help determine an objective appraisal of the liability of the situation.

Mr. Chang: I just want to make one point clear. You just mentioned U.S. - Sino trade. You also mentioned the Paris channel. You mean that both channels will be used, or you will direct it all to the National Council? What is your preference?

Mr. Solomon: Our idea was that it would work on the same pattern as the exchange area. The Paris channel will be for official communications. But because our business world is not controlled by the government, and because our relations are not fully normalized, this National Council for Sino - U.S. Trade would have contact with Chinese businessmen and exchange information and facilitate, for example, a trade exhibit. If you sent a trade exhibit to the U.S., the Council would help organize it, but we would give security and other forms of assistance from the sidelines. This is our idea.

Mr. Chang: I don't know whether my understanding is correct that in the trade field we will follow the same pattern as we did in the cultural field.

Mr. Jenkins: Somewhat the same pattern.

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Mr. Solomon: Do you think this is appropriate from your point of view?

Mr. Chang: I think we may consider this point and exchange our opinions with the trade organizations. I think it is feasible, but I would like to talk it over with the organizations concerned.

Mr. Solomon: Let me say why we consider this of benefit to both sides. When the National Committee for U.S.- China Relations delegation was here in December and January, they talked with the China Council for the Promotion of International Trade; and your trade organization expressed interest in an exhibition of Chinese products in the U.S. We are quite anxious to promote this kind of trade. We do feel that there are certain advantages in having separate organizations for different kinds of activities, like cultural exchange, science, trade, and so on. It also brings in more people, which builds a broader basis of support for normalization. So for these reasons we feel that it would be useful to encourage this additional organization, although some people you know -- for instance Professor Eckstein is an economist, and he will help in organizing this other group.

Mr. Jenkins: This reminds me of one other thing, if I may, which I am not sure we have -- there may be some slight misunderstanding. In the case again of open market economy countries the end use of commodities bought by private firms is readily ascertainable, readily determined. This matter of end use of those particular items where or legislation requires verification of end use has not been an insurmountable problem in the case of other state-run economies. The Soviet Union and the Western European countries routinely as a matter of course provide us with the end use information necessary by law to approve export licenses for those controlled items.

Mr. Chang: Certain items have to have an export license on the U.S. side?

Mr. Jenkins: To be sold and in order to assure export licenses on those particular items we have to have end use information. To make an exception to this rule in the case of China would be to discriminate against all the other countries. Needless to say, U.S. companies are prepared as a natural thing to discuss with China the end use to which they intend to put items. We understand that you are trading with us in good faith and for purposes of peaceful construction, but we do have this requirement. It is a general requirement.

Mr. Chang: Take for example the case of Boeing.

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Mr. Jenkins: And our general attitude toward this question with respect to China. The philosophy is one of generous interpretation -- liberal interpretation.

Mr. Chang: Yes, I understand.

Mr. Jenkins: I have spoken frankly on this because I don't want you to be taken by surprise by our regulations.

Mr. Solomon: Let me just give a very specific case that I think may be useful. You wanted to buy from the Hewlitt-Packard Company certain electrical equipment. We cannot issue export licenses unless we are sure the equipment will only be used for civilian purposes. This is to insure that it is used for peaceful purposes; but this is in no way discriminatory against China. It is a general rule that affects our trade with all countries.

Mr. Chang: I see.

Mr. Jenkins: Do you have any questions?

Mr. Chang: So may I say that we have satisfied all the requests that Dr. Kissinger mentioned yesterday. Shall we then go to see your old residence and the market? And if your other friends would like to come they are welcome. If you have the time and interest.

Mr. Jenkins: I don't know whether this will be our last formal get-together at the table or if there is anything else.

Mr. Chang: We may reopen the discussion at any time.

Mr. Jenkins: In case we don't, I would like to say at the table as well as personally how much we all appreciate not only your incomparable hospitality but the fact that in this visit we have accomplished as much as we have toward the normalization of our relationship. This gives us not only professional satisfaction but by now after our personal acquaintanceship it gives us a very strong personal satisfaction.

Mr. Chang: We share the same feeling and although our discussions have been rather short, yet these discussions have deepened our personal friendship and also helped to promote understanding and help to build up the mutual confidence between our two countries.

Mr. Jenkins: Yes, thank you very much.

(The meeting adjourned at 4: 15 p.m.)

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